

ADMINISTRATIVE MESSAGE

ROUTINE

R 151142Z OCT 02 ZYB MIN PSN 333692J26

FM CNO WASHINGTON DC//N1//

TO NAVADMIN

UNCLAS //N06000//

NAVADMIN 0344/02

PART ONE OF TWO. PART TWO IDENT IS 151143Z OCT 02.

MSGID/GENADMIN/N1//

SUBJ/REVISED CAREER STATUS BONUS AND REDUX RETIRED PAY SYSTEM//

REF/A/RMG/CNO WASHINGTON DC/191851ZSEP2001//

REF/B/DOC/FY-02 NDAA/28DEC2001//

REF/C/DOC/OSD (FMP)/24JUN2002//

REF/D/RMG/DFAS CLEVELAND OH/121200ZFEB2002//

NARR/REF A IS NAVADMIN 245/01 THAT PROVIDES POLICIES, PROCEDURES, AND RESPONSIBILITIES THAT THE DEPARTMENT OF DEFENSE (DOD) HAS DEVELOPED TO IMPLEMENT AND ADMINISTER THE CAREER STATUS BONUS (CSB) AND RELATED RETIRED PAY REFORMS ENACTED IN THE NATIONAL DEFENSE AUTHORIZATION ACT OF FISCAL YEAR 2000 (FY-00 NDAA/PUBLIC LAW 106-65). REF B IS SECTION 620 OF THE FY-01 NDAA/PUBLIC LAW 107-107 WHICH AUTHORIZES INSTALLMENT PAYMENTS OF CSB. REF C IS THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (FORCE MANAGEMENT POLICY) MEMO OF 24 JUN 02 ENTITLED "CAREER STATUS BONUS -- REVISED GUIDANCE." REF D IS MILITARY PAY ADVISORY (MPA) 21/02 ANNOUNCING SIGNIFICANT FORMAT MODIFICATIONS TO THE LES EFFECTIVE WITH THE JAN 02 LES.//

RMKS/1. THIS NAVADMIN ISSUES REVISED POLICIES AND PROCEDURES FOR THE ADMINISTRATION OF THE CSB/REDUX SYSTEM REPLACING NAVADMIN 245/01 (REF A). PROGRAM CHANGES INCLUDE NEW PAYMENT OPTIONS ENACTED IN THE FY-02 NDAA (REF B) AND ESTABLISHED IN DOD GUIDANCE (REF C). REQUEST WIDEST DISSEMINATION TO ALL HANDS.

2. SUBTITLE D OF TITLE VI, OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FY-00 (PUBLIC LAW 106-65 OR FY-00 NDAA), 5 OCT 99, REFORMS THE RETIREMENT SYSTEM FOR THOSE PERSONNEL WITH A DIEMS (DATE OF INITIAL ENTRY TO MILITARY/UNIFORMED SERVICE) ON OR AFTER 1 AUG 86. THE MILITARY RETIREMENT REFORM ACT OF 1986 (86 MRRA, POPULARLY KNOWN AS REDUX) PROVIDED SUCH MEMBERS A RETIREMENT SYSTEM WITH A REDUCED MULTIPLIER UNTIL AGE 62 AND A REDUCED LIFETIME COST-OF-LIVING ADJUSTMENT (COLA) WITH A ONE-TIME CATCH UP AT AGE 62. THE FY-00 NDAA PLACES THESE MEMBERS UNDER THE PRIOR HIGH-3 RETIREMENT PROVISIONS UNLESS THEY ELECT TO RECEIVE A \$30,000 LUMP SUM CAREER STATUS BONUS (CSB) AT THE 15TH YEAR OF ACTIVE DUTY SERVICE. AN ELECTION TO RECEIVE THE CSB REQUIRES THE MEMBER AGREE TO REMAIN IN SERVICE UNTIL COMPLETION OF 20 YEARS OF ACTIVE DUTY AND BE SUBJECT, UPON RETIREMENT, TO THE RETIREMENT PROVISIONS OF REDUX. ALL HANDS ARE ADVISED THAT THIS ELECTION IS IRREVOCABLE ON THE MEMBER'S CSB ELECTION EFFECTIVE DATE. "RETIREMENT" IN THIS CONTEXT, AND

THROUGHOUT THIS MESSAGE, INCLUDES TRANSFER TO THE FLEET RESERVE.

3. SECTION 620 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002 (PUBLIC LAW 107-107 OR FY-02 NDAA), 28 DEC 01, ENHANCES CSB BY ALLOWING MEMBERS TO RECEIVE THE BONUS IN MULTIPLE ANNUAL INSTALLMENTS OVER AS MANY AS FIVE YEARS. IF INSTALLMENT PAYMENTS ARE ELECTED, THE SECOND AND SUBSEQUENT INSTALLMENTS ARE PAID ON 15 JAN OF EACH SUCCEEDING CALENDAR YEAR. THIS ALLOWS THE TOTAL BONUS TO BE DEPOSITED IN THE MEMBER'S THRIFT SAVINGS PLAN ACCOUNT WITHOUT EXCEEDING THE INTERNAL REVENUE LIMIT ON ANNUAL CONTRIBUTIONS. MEMBERS MAY ELECT TO RECEIVE THE BONUS UNDER ONE OF THE FOLLOWING PAYMENT OPTIONS:

- A. OPTION 1 IS A SINGLE LUMP SUM OF \$30,000
- B. OPTION 2 IS TWO INSTALLMENTS OF \$15,000
- C. OPTION 3 IS THREE INSTALLMENTS OF \$10,000
- D. OPTION 4 IS FOUR INSTALLMENTS OF \$7,500
- E. OPTION 5 IS FIVE INSTALLMENTS OF \$6,000

4. A MEMBER OF THE NAVY IS ELIGIBLE TO MAKE A 15-YEAR CSB/REDUX ELECTION ONLY IF THE MEMBER:

- A. IS SERVING ON ACTIVE DUTY,
- B. FIRST BECAME A MEMBER OF A UNIFORMED SERVICE ON OR AFTER 1 AUG 86 (I.E., THE MEMBER'S DATE OF INITIAL ENTRY TO MILITARY/ UNIFORMED SERVICE (DIEMS) IS 1 AUG 86 OR LATER),
 - (1) THE MEANING OF "FIRST BECAME A MEMBER" AND THE CORRESPONDING DATA ELEMENT "DIEMS" PERTAINS TO THE EARLIEST DATE OF ENLISTMENT, INDUCTION, OR APPOINTMENT IN A REGULAR OR RESERVE COMPONENT OF A UNIFORMED SERVICE AS A COMMISSIONED OFFICER, WARRANT OFFICER, OR ENLISTED MEMBER. BREAKS IN SERVICE DO NOT AFFECT THE DATE AN INDIVIDUAL FIRST BECAME A MEMBER. THE DATE AN INDIVIDUAL BECAME A CADET OR MIDSHIPMAN OF A SERVICE ACADEMY, RESERVE OFFICER TRAINING CORPS (ROTC), OR A MEMBER OF THE DELAYED ENTRY PROGRAM (DEP) (WHICHEVER IS EARLIER IN SOME CASES) IS THAT INDIVIDUAL'S DIEMS DATE. THE DIEMS DATE APPLIES ONLY TO THE MEMBER'S RETIREMENT PLAN AND SHOULD NOT BE CONFUSED WITH THEIR PAY ENTRY BASE DATE (PEBD) OR ACTIVE DUTY SERVICE DATE (ADSD).

(2) UNIFORMED SERVICES INCLUDE THE ARMY, NAVY, AIR FORCE, MARINE CORPS, COAST GUARD, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, AND PUBLIC HEALTH SERVICE.

(3) RESERVE COMPONENTS OF THE UNIFORMED SERVICES ARE THE ARMY NATIONAL GUARD OF THE UNITED STATES (ARNGUS), U.S. ARMY RESERVE (USAR), U.S. NAVAL RESERVE (USNR), U.S. MARINE CORPS RESERVE (USMCR), AIR NATIONAL GUARD OF THE UNITED STATES (ANGUS), U.S. AIR FORCE RESERVE (USAFR), AND U.S. COAST GUARD RESERVE (USCGR).

C. COMPLETES 15 YEARS OF ACTIVE DUTY (I.E. ADSD PLUS 15 YEARS) IN THE UNIFORMED SERVICES, AND

D. IS OTHERWISE ELIGIBLE, AS DETERMINED BY THE SECRETARY OF THE NAVY, TO CONTINUE ON ACTIVE DUTY UNTIL THE COMPLETION OF 20 YEARS OF ACTIVE DUTY SERVICE.

(1) RESERVISTS ON ACTIVE DUTY AT THEIR 15TH ANNIVERSARY OF DAY FOR DAY ACTIVE DUTY WHO CANNOT REMAIN ON CONTINUOUS ACTIVE DUTY TO THEIR 20TH ANNIVERSARY OF DAY FOR DAY ACTIVE DUTY ARE NOT ELIGIBLE FOR THE CSB. SPECIFICALLY, A RESERVIST IS NOT ELIGIBLE FOR THE CSB IF HE IS RECALLED TO ACTIVE DUTY BY THE SERVICE WITH THE INTENT OF RETURNING THE MEMBER TO INACTIVE DUTY BEFORE HE EARNS 20 OR MORE YEARS OF ACTIVE DUTY.

(2) MEMBERS OF THE REGULAR NAVY, TRAINING AND ADMINISTRATION OF THE RESERVES (TAR) PERSONNEL, RESERVE OFFICERS ON THE ACTIVE DUTY LIST, AND RESERVE ENLISTED MEMBERS WHO ARE RECALLED TO ACTIVE DUTY UNDER THE ENLISTED GENERAL RECALL PROGRAM ARE ELIGIBLE FOR THE CSB

IF THEY QUALIFY FOR RETENTION OR CONTINUATION TO THEIR 20TH ANNIVERSARY OF ACTIVE DUTY, EVEN IF THEIR PRESENT ENLISTMENT CONTRACT EXPIRES PRIOR TO THEIR 20TH ANNIVERSARY OF ACTIVE DUTY.

(3) AUTHORITY TO DETERMINE A MEMBER'S ELIGIBILITY TO CONTINUE ON ACTIVE DUTY UNTIL COMPLETION OF 20 YEARS OF ACTIVE DUTY SERVICE FOR THE PURPOSE OF DETERMINING ELIGIBILITY FOR THE CSB/REDUX IS GRANTED TO REPORTING SENIORS. DEFINITION OF A REPORTING SENIOR AND CIRCUMSTANCES WHEN THE AUTHORITIES OF A REPORTING SENIOR CAN BE DELEGATED ARE DISCUSSED IN ANNEX B OF BUPERSINST 1610.10.

5. EACH OF THE ABOVE FOUR RULES MUST BE SATISFIED TO BE ELIGIBLE FOR THE CSB/REDUX RETIRED PAY SYSTEM. A MEMBER WHO DOES NOT MEET ALL FOUR RULES OF ELIGIBILITY ON HIS 15TH ANNIVERSARY OF ACTIVE DUTY MAY NOT LATER BE GIVEN THE OPPORTUNITY TO ELECT THE CSB/REDUX UNLESS HE RECEIVES FAVORABLE RESULTS ON A DISCIPLINARY, MEDICAL, OR ADMINISTRATIVE CASE THAT WAS ACTIVE ON THE MEMBER'S 15TH ANNIVERSARY.

6. ALL HANDS ARE ADVISED THAT FORMAT MODIFICATIONS HAVE BEEN MADE TO THE LES FOR RETIREMENT PLANS PER REF D. TWO BLOCKS HAVE BEEN ADDED UNDER THE BLOCK FOR EOM PAY ON THE FAR RIGHT OF THE LES. THE ADDED BLOCKS ON THE LES IDENTIFY YOUR DIEMS DATE AND RETIREMENT PLAN.

A. THE DIEMS DATE XXXXXX REPRESENTS THE DIEMS DATE INDICATED IN YOUR ELECTRONIC RECORD IN THE NAVY ENLISTED SYSTEM (NES) AND/OR NAVY OFFICER PERSONNEL INFORMATION SYSTEM (OPINS). IF YOU FIND A DISCREPANCY BETWEEN THE DIEMS DATE ON YOUR LES AND DOCUMENTS IN YOUR PERMANENT SERVICE RECORD, REPORT THE DISCREPANCY BY OFFICIAL CORRESPONDENCE TO COMNAVPERSCOM PERSONNEL PAY ASSISTANCE CENTER (PPAC) VIA YOUR COMMAND. INCLUDE YOUR FULL NAME, SSN, COMMAND ADDRESS, PHONE NUMBER, AND A COPY OF THE DOCUMENT SUBSTANTIATING YOUR REQUEST. SUBSTANTIATING DOCUMENTS INCLUDE, BUT ARE NOT LIMITED, TO YOUR DD FORM 4 "ENLISTMENT/REENLISTMENT DOCUMENT - ARMED FORCES OF THE U.S. (AND ANNEXES)", OR DD FORM 1966 "RECORD OF MILITARY PROCESSING - ARMED FORCES OF THE U.S.", OR NAVCRUIT FORM 1000/20 "OFFICER APPOINTMENT ACCEPTANCE AND OATH OF OFFICE", OR NAVPERS 1070/877 "STATEMENT OF SERVICE", OR CONTRACT WITH THE ARMY, AIR FORCE, MARINE CORPS, COAST GUARD, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, OR PUBLIC HEALTH SERVICE. IF NEEDED, A MICROFICHE COPY OF YOUR PERMANENT SERVICE RECORD MAY BE REQUESTED FROM COMNAVPERSCOM (PERS 313C) BY FAX OR MAIL. INCLUDE YOUR NAME, RANK, SSN, MAILING ADDRESS, AND SIGNATURE IN YOUR REQUEST. A REQUEST WITHOUT A SIGNATURE, AND TELEPHONE OR EMAIL REQUESTS WILL NOT BE ACCEPTED. FAX REQUESTS TO (901) 874-2664/DSN 882. SEND ALL MAIL REQUESTS TO COMMANDER, NAVY PERSONNEL COMMAND, PERS-313C, 5720 INTEGRITY DRIVE, MILLINGTON, TN 38055-3130. IF YOU HAVE BROKEN SERVICE, A COPY OF YOUR FIRST CONTRACT FROM YOUR PRIOR ACTIVE DUTY SERVICE RECORD MAY BE REQUESTED FROM THE NATIONAL PERSONNEL RECORD CENTER (NPRC), MILITARY PERSONNEL RECORDS (MPR) IN ST. LOUIS, MISSOURI. A COPY OF STANDARD FORM 180 "REQUEST PERTAINING TO MILITARY RECORDS IS AVAILABLE AT [HTTP://WWW.NARA.GOV/REGIONAL/](http://www.nara.gov/regional/).

B. THE RETIREMENT PLAN ON YOUR LES REMARK REPRESENTS YOUR RETIRED PAY INDICATOR. IF YOU HAVE A DIEMS DATE OF 7 SEP 80 OR EARLIER YOU WILL SEE THE "FINAL PAY" RETIRED PAY INDICATOR ON YOUR LES AND ELECTRONIC MASTER FILE. IF YOU HAVE A DIEMS DATE OF 8 SEP 80 OR LATER WILL SEE THE "HIGH-3" RETIRED PAY INDICATOR ON YOUR LES AND ELECTRONIC MASTER FILE. IF YOU HAVE A DIEMS DATE OF 1 AUG 86 OR LATER YOU WILL SEE THE "CHOICE" RETIRED PAY INDICATOR ON YOUR LES AND ELECTRONIC MASTER FILE UNTIL A CSB/REDUX OR HIGH-3 RETIRED PAY ELECTION IS MADE AT 15 YEARS OF ACTIVE DUTY. THE SYSTEM WILL CONVERT TO "REDUX" IF YOU ELECT THE CSB/REDUX SYSTEM, OR CONVERT TO "HIGH-3" IF YOU ELECT TO REMAIN UNDER THE HIGH-3 SYSTEM OR FAIL TO

MAKE AN ELECTION.

7. A GENADMIN MESSAGE WILL BE SENT TO EACH ELIGIBLE MEMBER ON THE DATE THAT HE OR SHE COMPLETES 14 YEARS AND 6 MONTHS OF ACTIVE DUTY (I.E. ADSD PLUS 14 YEARS AND 6 MONTHS) TO NOTIFY HIM THAT HE MAY BE ELIGIBLE TO ELECT THE CSB/REDUX. THE MEMBER'S COMMAND WILL BE DIRECTED TO DELIVER THE MESSAGE TO THE MEMBER ONLY AFTER VERIFICATION OF THE MEMBER'S DIEMS DATE IN THE MESSAGE AGAINST THE MEMBER'S SERVICE RECORD SHOWS THE MEMBER IS ELIGIBLE TO ELECT THE CSB/REDUX. UPON RECEIPT OF THE GENADMIN NOTIFICATION MESSAGE, THE MEMBER WILL BE DIRECTED TO SEE THE COMMAND CAREER COUNSELOR (CCC) OR ADMINISTRATIVE OFFICER (AO) TO RECEIVE A COPY OF THE DEPARTMENT OF DEFENSE FACT SHEET OF INFORMATION FOR ELIGIBLE CSB MEMBERS. THIS FACT SHEET (AVAILABLE AT [HTTP://WWW.STAYNAVY.NAVY.MIL/](http://www.staynavy.navy.mil/)) EXPLAINS AVAILABLE OPTIONS AND LOOKS AT SOME BASIC CONSIDERATIONS ON HOW THE FUTURE VALUE OF THE CSB MONEY COULD BE AFFECTED BY A MEMBER'S PLANNED USE OF THE BONUS. THE FACT SHEET ALSO ENCOURAGES ELIGIBLE MEMBERS TO SEEK FINANCIAL COUNSELING FROM THE COMMAND FINANCIAL ADVISOR.

8. THE CENTER FOR NAVAL ANALYSIS (CNA) SUGGESTS THAT THE BEST WAY TO LOOK AT THE CHOICE OF RECEIVING A CSB IS TO CONSIDER THE CAREER STATUS BONUS AS AN EARLY CASH-OUT "LOAN" TO BE PAID BACK LATER BY SMALLER RETIREMENT PAYCHECKS. "CSB HAS A PECULIAR PAYBACK SCHEME. THE SAILOR PAYS NOTHING UNTIL RETIREMENT, PAYS QUITE A BIT FROM THE BEGINNING OF RETIREMENT UNTIL AGE 62, AND THEN CONTINUES TO PAY BACK SMALLER AMOUNTS OVER THE REST OF HIS LIFETIME," READS THE CNA STUDY AVAILABLE AT [HTTP://WWW.CNA.ORG/NEWSEVENTS/IMAGES/CRM3713.PDF](http://www.cna.org/newsevents/images/crm3713.pdf) AT [HTTP://WWW.CNA.ORG](http://www.cna.org). THE STUDY'S COMPARISON TO A LOAN SHOWS THAT A SAILOR COULD END UP PAYING BACK THE MONEY AT A 9 TO 10 PERCENT INTEREST RATE. MOREOVER, THE TERM OF THE LOAN IS BASED ON HOW LONG SOMEONE LIVES. CHOOSING CSB AND REDUX REDUCES INCOME IN RETIREMENT. THE HIGHER THE GRADE AND THE LOWER THE YEARS OF SERVICE AT RETIREMENT, THE MORE RETIREMENT INCOME IS REDUCED. "TAKE FOR EXAMPLE AN E6 WITH 20 YEARS OF SERVICE AT AGE 40. SELECTING CSB AND REDUX AT 15 YEARS, THE SAILOR PAYS AN IMPLICIT INTEREST RATE OF 10.4 PERCENT FOR THE CASH-OUT AND LOSES \$193,630 AFTER-TAX RETIREMENT INCOME ASSUMING THE SAILOR LIVES TO AN AVERAGE AGE OF 79 YEARS." BOTTOM LINE: CHECK THE FACTS. LOOK AND PLAN FORWARD; ASK QUESTIONS. COMMAND CAREER COUNSELORS, COMMAND FINANCIAL ADVISORS, ADMINISTRATIVE OFFICERS, AND FLEET AND FAMILY SERVICE CENTERS ARE STANDING BY TO ASSIST IN ONE OF THE MOST IMPORTANT DECISIONS OF ANYONE'S FINANCIAL LIFE.

9. DOD ALSO HAS A VERY INFORMATIVE WEB SITE THAT DISCUSSES THE CSB. THE SITE INCLUDES AN INTERACTIVE CALCULATOR TO HELP THE ELIGIBLE MEMBERS DECIDE WHETHER TO STAY IN THE HIGH-3 RETIRED PAY SYSTEM OR ELECT THE CSB/REDUX RETIRED PAY SYSTEM. ELIGIBLE MEMBERS ARE STRONGLY ENCOURAGED TO TAKE A LOOK AT THIS WEB SITE THROUGH WEB ADDRESS [HTTP://MILITARYPAY.DTIC.MIL/ACTIVES/INDEX.HTML](http://militarypay.dtic.mil/actives/index.html) OR [HTTP://PAY2000.DTIC.MIL](http://pay2000.dtic.mil) AND DISCUSS THEIR ALTERNATIVES WITH THEIR FAMILY AND FINANCIAL ADVISORS. FREQUENTLY ASKED QUESTIONS ARE ADDRESSED AT THE PPAC CSB FAQ PAGE AT [WWW.PERSNET.NAVY.MIL/PPAC](http://www.persnet.navy.mil/ppac).

10. ELIGIBLE MEMBERS WILL HAVE SIX MONTHS AS OF THE DATE OF THEIR CSB GENADMIN NOTIFICATION MESSAGE TO MAKE AN ELECTION DECISION. THERE ARE THREE EXCEPTIONS TO THIS RULE:

A. THE MEMBER HAS SIX MONTHS FROM ACTUAL PERSONAL RECEIPT OF THE MESSAGE IF HIS REPORTING SENIOR HOLDS DELIVERY OF THE MESSAGE IN ABEYANCE WHILE THE MEMBER IS ON LEAVE, SICK IN QUARTERS,

HOSPITALIZED, ON OFFICIAL TAD/TDY TRAVEL, PERMISSIVE TAD, TAD/TDY/TEMU TO ATTEND A SCHOOL, DUSTWUN, MIA, CAPTURED/INTERNEED/BESIEGED/DETAINED BY A FOREIGN POWER, TERMINALLY/VERY SERIOUSLY/SERIOUSLY ILL OR INJURED, OR SUFFERING AN INCAPACITATING ILLNESS OR INJURY,

B. IF THE MEMBER'S REPORTING SENIOR HOLDS THE MEMBER'S ELIGIBILITY IN ABEYANCE DUE TO AN ACTIVE DISCIPLINARY, MEDICAL, OR ADMINISTRATIVE CASE ON THE MEMBER'S 15TH ANNIVERSARY THAT COULD AFFECT HIS OR HER RETENTION, THEN THE MEMBER HAS SIX MONTHS TO MAKE AN ELECTION AS OF THE DATE OF RECEIPT OF FAVORABLE RESULTS ON THE CASE.

C. THE SECRETARY OF DEFENSE HAS EXTENDED AN OPPORTUNITY TO ELECT CSB INSTALLMENT PAYMENTS TO ALL MEMBERS WHO WERE PAID A LUMP SUM CSB ON OR AFTER 28 DEC 01 AND THOSE WHO ELECTED THE HIGH-3 RETIRED PAY SYSTEM DURING THIS PERIOD. A SEPARATE NAVADMIN WILL PUBLISH INTERIM PROGRAM POLICY AND PROCEDURES FOR THIS OPPORTUNITY.

11. A FOLLOW-UP CSB GENADMIN NOTIFICATION MESSAGE IS RELEASED WHEN NO ELECTION IS MADE WITHIN THREE MONTHS AFTER THE DTG OF A CSB GENADMIN NOTIFICATION MESSAGE TO REMIND THE MEMBER THAT THEIR OPPORTUNITY TO ELECT THEIR RETIRED PAY SYSTEM WILL BE EXPIRING IN THREE MONTHS. THOSE WHO DO NOT MAKE AN ELECTION AT THE END OF THE SIX MONTHS REMAIN IRREVOCABLY UNDER THE HIGH 3 RETIRED PAY SYSTEM.

12. A NAVPERS VERSION OF THE DD FORM 2839 CSB AND REDUX RETIRED PAY ELECTION FORM IS BEING INTRODUCED WITH TERMS AND DEFINITIONS RELEVANT TO THE NAVY AND A NEW BLOCK THAT WILL ALLOW MEMBERS TO ELECT THEIR PAYMENT OPTION. THE DEPARTMENT OF DEFENSE IS ALSO REDESIGNING THE DD FORM 2839 TO ALLOW YOU TO ELECT YOUR CSB PAYMENT OPTION. ONCE RELEASED, THE NAVPERS FORM AND REDESIGNED DD FORM 2839 WILL BE AVAILABLE AT THE CAREER STATUS BONUS LINK AT WWW.STAYNAVY.NAVY.MIL. UNTIL NEW FORMS ARE RELEASED USE DD FORM 2839 (FEB 02) TO RECORD CSB ELECTIONS. MEMBERS INTERESTED IN MAKING AN ELECTION FOR CSB INSTALLMENT PAYMENTS BEFORE THE NEW FORMS ARE RELEASED SHOULD RECORD THEIR PAYMENT CHOICE IN BLOCK 12A OF SECTION IV AFTER THEIR SIGNATURE.

13. ONCE A CSB GENADMIN NOTIFICATION MESSAGE ARRIVES, THE MEMBER'S REPORTING SENIOR SHOULD BE STANDING BY TO GIVE THE MEMBER THE CSB AND REDUX RETIRED PAY ELECTION FORM COMPLETED IN SECTION I AND II AND COUNSEL THE MEMBER ON THEIR RETENTION DETERMINATION.

14. AN IMPORTANT ELEMENT IN DETERMINING WHETHER A MEMBER HAS THE RIGHT TO ELECT THE CSB IS HIS OR HER ELIGIBILITY TO REMAIN IN THE SERVICE THROUGH THE 20TH ANNIVERSARY OF ACTIVE DUTY. THIS IS A DETERMINATION ONLY THE REPORTING SENIOR WHO SIGNS THE MEMBER'S FITNESS REPORT OR EVALUATION WILL MAKE IN SECTION II OF THE MEMBER'S FORM BASED ON RETENTION STANDARDS FOUND IN LAW, REGULATIONS, AND INSTRUCTIONS USED FOR REENLISTMENT AND CONTINUATION. THE REPORTING SENIOR HAS THREE OPTIONS:

A. INDICATE THE MEMBER IS ELIGIBLE TO ELECT THE CSB IF THEY QUALIFY FOR RETENTION ON CONTINUOUS ACTIVE DUTY THROUGH THEIR 20TH ANNIVERSARY,

B. INDICATE THE MEMBER IS NOT ELIGIBLE TO ELECT THE CSB. AN EXPLANATION MUST BE PROVIDED IN THE SPACE IN SECTION II OF THE FORM ENTITLED "REASON." THE REPORTING SENIOR IS REQUIRED TO PROVIDE RETENTION AND CAREER COUNSELING IF THE MEMBER IS DETERMINED IN SECTION II TO BE INELIGIBLE TO ELECT THE BONUS, OR

C. INDICATE THE MEMBER IS NOT ELIGIBLE TO ELECT THE CSB AND ANNOTATE THE FOLLOWING AS THE REASON IN SECTION II: "HOLDING FINAL DETERMINATION OF ELIGIBILITY IN ABEYANCE PENDING A FAVORABLE

DETERMINATION ON THE DISCIPLINARY, MEDICAL, OR ADMINISTRATIVE CASE PROCEEDING THAT MAY ULTIMATELY RESULT IN MEMBER'S SEPARATION FROM THE NAVY PRIOR TO HIS/HER 20TH ANNIVERSARY OF ACTIVE DUTY. UPON FAVORABLE DETERMINATION OF PROCEEDINGS MEMBER IS AUTHORIZED TO RESUBMIT CSB ELECTION FORM FOR FINAL DETERMINATION."

15. THE MEMBER IS DIRECTED TO MAKE AN APPOINTMENT WITH THEIR REPORTING SENIOR WHEN READY TO BEGIN THE ELECTION PROCESS. WHEN THE MEMBER MEETS WITH THEIR REPORTING SENIOR THEY WILL RECEIVE A COPY OF THE FORM. SECTION I WILL BE COMPLETED WITH HIS NAME, SSN, RANK/PAYGRADE/BRANCH OF SERVICE, DIEMS, ADSD, AND THE DATE OF THE GENADMIN NOTIFICATION ORDER MESSAGE. THE MEMBER IS CAUTIONED TO REVIEW THE INFORMATION IN SECTION I CAREFULLY AND POINT OUT ANY NEEDED CORRECTIONS.

16. FOR MEMBERS WHO ARE ELIGIBLE AND DESIRE TO ELECT CSB/REDUX; YOU MUST:

A. FOLLOW THESE DIRECTIONS WHEN USING DD FORM 2839 (FEB 2001):

(1) READ SECTION IV BLOCK 12 OF YOUR FORM THOROUGHLY. PEN AND INK THE FOLLOWING STATEMENT INTO BLOCK 12 (USING THE SPACE IN THE MARGIN IS AUTHORIZED): "I ELECT TO RECEIVE CSB PAYMENTS AS INDICATED IN BLOCK 12A BELOW. IF I FAIL TO COMPLETE 20 YEARS CONTINUOUS ACTIVE DUTY, I UNDERSTAND THAT ANY UNPAID INSTALLMENTS WILL BE CREDITED TO MY REPAYMENT."

(2) SIGN/DATE YOUR AGREEMENT TO REMAIN ON ACTIVE DUTY IN EXCHANGE FOR THE CSB/REDUX RETIRED PAY SYSTEM IN BLOCK 12A AND 12B. WRITE IN THE PAYMENT OPTION YOU ELECT AS "1 (LUMP SUM)", "2 (TWO PAYMENTS OF \$15,000)", "3 (THREE PAYMENTS OF \$10,000)", "4 (FOUR PAYMENTS OF \$7,500)" OR "5 (FIVE PAYMENTS OF \$6,000)" IN BLOCK 12A AFTER YOUR SIGNATURE. FAILURE TO MAKE A PAYMENT ELECTION IN BLOCK 12A WILL RESULT IN AN AUTOMATIC AND IRREVOCABLE LUMP SUM PAYMENT ON YOUR CSB ELECTION EFFECTIVE DATE.

(3) LEAVE SECTION III AND V BLANK AND RETURN THE FORM TO YOUR CCC OR AO SO THEY CAN WITNESS THE ELECTION IN SECTION IV BLOCK 13, COMPLETE SECTION VI, AND PROCESS THE ELECTION. CONTINUE UNDER YOUR EXISTING CONTRACT, EXTENSION OR OTHER AGREEMENT. THE EXECUTION OF A NEW REENLISTMENT CONTRACT FOR THE SOLE PURPOSE OF ELECTING THE CSB/REDUX IS NOT REQUIRED OR ENCOURAGED. BY LAW, THE CSB/REDUX OBLIGATION MAY RUN CONCURRENT WITH OTHER OBLIGATIONS TO THE GOVERNMENT, AND THE CSB MAY BE PROVIDED IN ADDITION TO OTHER BONUSES, SPECIAL OR INCENTIVE PAYS.

B. FOLLOW THESE DIRECTIONS WHEN USING THE NEW NAVPERS ELECTION FORM ONCE IT IS RELEASED:

(1) READ SECTION IV BLOCK 12 OF YOUR FORM THOROUGHLY. SIGN BLOCK 12A, ELECT PAYMENT OPTION IN BLOCK 12B, AND DATE YOUR AGREEMENT TO REMAIN ON ACTIVE DUTY IN EXCHANGE FOR THE CSB/REDUX RETIRED PAY SYSTEM IN BLOCK 12C. FAILURE TO MAKE A PAYMENT ELECTION IN BLOCK 12B WILL RESULT IN AN AUTOMATIC AND IRREVOCABLE LUMP SUM PAYMENT ON YOUR CSB ELECTION EFFECTIVE DATE.

(2) LEAVE SECTION III AND V BLANK AND RETURN THE FORM TO YOUR CCC OR AO SO THAT PERSON CAN WITNESS THE ELECTION IN SECTION IV BLOCK 13, COMPLETE SECTION VI, AND PROCESS THE ELECTION. CONTINUE UNDER YOUR EXISTING CONTRACT, EXTENSION OR OTHER AGREEMENT. THE EXECUTION OF A NEW REENLISTMENT CONTRACT FOR THE SOLE PURPOSE OF ELECTING THE CSB/REDUX IS NOT REQUIRED OR ENCOURAGED. BY LAW, THE CSB/REDUX OBLIGATION MAY RUN CONCURRENT WITH OTHER OBLIGATIONS TO THE GOVERNMENT, AND THE CSB MAY BE PROVIDED IN ADDITION TO OTHER BONUSES, SPECIAL OR INCENTIVE PAYS.

C. FOLLOW THESE DIRECTIONS WHEN USING THE NEW DD FORM 2839 ONCE IT IS RELEASED:

(1) READ SECTION IV BLOCK 12 OF YOUR FORM THOROUGHLY. ELECT PAYMENT OPTION IN BLOCK 12A BY CHECKING THE DESIRED OPTION, SIGN BLOCK 12B, AND DATE YOUR AGREEMENT TO REMAIN ON ACTIVE DUTY IN EXCHANGE FOR THE CSB/REDUX RETIRED PAY SYSTEM IN BLOCK 12C. FAILURE TO MAKE A PAYMENT ELECTION IN BLOCK 12A WILL RESULT IN AN AUTOMATIC AND IRREVOCABLE LUMP SUM PAYMENT ON YOUR CSB ELECTION EFFECTIVE DATE.

(2) LEAVE SECTION III AND V BLANK AND RETURN THE FORM TO YOUR CCC OR AO SO THAT PERSON CAN WITNESS THE ELECTION IN SECTION IV BLOCK 13, COMPLETE SECTION VI, AND PROCESS THE ELECTION. CONTINUE UNDER YOUR EXISTING CONTRACT, EXTENSION OR OTHER AGREEMENT. THE EXECUTION OF A NEW REENLISTMENT CONTRACT FOR THE SOLE PURPOSE OF ELECTING THE CSB/REDUX IS NOT REQUIRED OR ENCOURAGED. BY LAW, THE CSB/REDUX OBLIGATION MAY RUN CONCURRENT WITH OTHER OBLIGATIONS TO THE GOVERNMENT, AND THE CSB MAY BE PROVIDED IN ADDITION TO OTHER BONUSES, SPECIAL OR INCENTIVE PAYS.

17. FOR MEMBERS WHO ARE ELIGIBLE AND ELECT NOT TO RECEIVE THE CSB, YOU MUST READ SECTION V BLOCK 14 THOROUGHLY AND SIGN/DATE YOUR ELECTION NOT TO RECEIVE THE CSB AND DECISION TO REMAIN UNDER THE HIGH-3 RETIRED PAY SYSTEM. LEAVE SECTIONS III AND IV BLANK AND RETURN THE FORM TO YOUR CCC OR AO SO THAT THEY CAN WITNESS THE ELECTION NOT TO RECEIVE THE CSB IN SECTION V BLOCK 15, AND PROCESS THE ELECTION. CCCS AND AOS SHOULD LEAVE SECTION VI BLANK IF THE MEMBER ELECTS NOT TO RECEIVE THE CSB/REDUX.

18. A MEMBER WHO IS NOT ELIGIBLE TO ELECT THE CSB MUST READ SECTION III BLOCK 10 THOROUGHLY AND SIGN/DATE THE STATEMENT OF UNDERSTANDING THAT INELIGIBILITY DOES NOT PRECLUDE THE MEMBER FROM CONTINUING TO SERVE TO RETIREMENT IF THE NAVY PERMITS. SUCH A MEMBER IS TO LEAVE SECTIONS IV AND V BLANK AND RETURN THE FORM TO THE CCC OR AO SO THAT PERSON CAN WITNESS THE SIGNING OF THE STATEMENT OF UNDERSTANDING IN SECTION III AND COMPLETE THE PROCESS. THE CCC OR AO SHOULD LEAVE SECTION VI BLANK.

19. A MEMBER'S ELECTION IS CONSIDERED TO BE EFFECTIVE AND IRREVOCABLE ON EITHER:

- A. THE MEMBER'S 15TH ANNIVERSARY OF ACTIVE DUTY, OR
- B. THE DATE THE ELECTION WAS MADE IN CASES WHERE THE OPPORTUNITY TO MAKE AN ELECTION IS EXTENDED BEYOND THE MEMBER'S 15TH ANNIVERSARY AND THE MEMBER MAKES THEIR ELECTION AFTER THEIR 15TH ANNIVERSARY.

20. CSB ELECTIONS ARE TRANSMITTED TO THE DEFENSE FINANCE AND ACCOUNTING SERVICE (DFAS) FOR PAYMENT THROUGH THE FORCE MANAGEMENT SYSTEM (FORMAN). WHEN A CSB ELECTION IS ENTERED IN FORMAN, THE INFORMATION RESIDES IN FORMAN UNTIL THE MEMBER'S CSB ELECTION EFFECTIVE DATE WHEN THE ELECTION BECOMES IRREVOCABLE. USE THE FORMAN ELECTION SCREEN TO CHECK THE STATUS OF A CSB ELECTION PRIOR TO THE EFFECTIVE DATE OF THE ELECTION. THE CSB ELECTION IS FORWARDED TO DFAS FOR PAYMENT ON THE EFFECTIVE DATE OF THE ELECTION. A FUNCTION IDENTIFIER (FID 8 FOR OFFICERS AND FID 31 FOR ENLISTED) IS USED TO TRANSMIT THE CSB PAY TRANSACTION TO DFAS. NOTE THAT YOU WILL NOT SEE A CSB POST ON THE PAY ACCOUNT UNTIL THE EFFECTIVE DATE OF AN ELECTION. THE LAW PROVIDES THAT THE CSB WILL BE PAID NO LATER THAN THE FIRST MONTH THAT BEGINS ON OR AFTER THE DATE THAT IS 60 DAYS AFTER THE DATE THE ELECTION IS EFFECTIVE.

21. DFAS WILL ADVISE MEMBERS OF THE TAXABILITY OF CSB PAYMENTS. GENERALLY, THE CSB IS SUBJECT TO THE SAME TAX CONSIDERATIONS AS ANY OTHER BONUS PAYMENT. CSB IS NOT TAXABLE IF THE CSB EFFECTIVE DATE

OCCURS IN A MONTH DURING WHICH COMBAT ZONE OR QUALIFIED HAZARDOUS DUTY AREA EXCLUSION APPLIES. THE CSB, IF TAXABLE, IS INCOME AS OF THE DATE ON WHICH THE PAYMENT IS ACTUALLY MADE TO THE MEMBER. IF THE MEMBER IS OTHERWISE ELIGIBLE FOR COMBAT ZONE OR QUALIFIED HAZARDOUS DUTY AREA (QHDA) TAX EXCLUSION ON THE EFFECTIVE DATE OF THE CSB/REDUX ELECTION THE CSB WILL NOT BE CONSIDERED TAXABLE INCOME WITHIN ALLOWABLE LIMITS.

22. THE CSB IS AN ACTIVE DUTY BONUS UNDER THE PROVISIONS OF TITLE 37, U.S. CODE. IT IS NOT MILITARY RETIRED PAY AND, THEREFORE, IS NOT SUBJECT TO DIVISION UNDER THE UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT.

23. IF A MEMBER FAILS TO SERVE CONTINUOUSLY ON ACTIVE DUTY UNTIL HIS 20TH ANNIVERSARY, THE LAW STIPULATES THAT A PROPORTIONATE SHARE OF THE CSB MUST BE REPAYED. SECDEF HAS WAIVED BONUS REPAYMENT IF A MEMBER DIES ON ACTIVE DUTY, IS SEPARATED OR RETIRED AS A RESULT OF A PHYSICAL DISABILITY UNDER CHAPTER 61 OF TITLE 10 U.S. CODE, OR SEPARATED UNDER A SERVICE OFFER FOR EARLY RETIREMENT (SUCH AS TERA) OR SEPARATION PROGRAM. THIS WAIVER IS NOT AVAILABLE IF A MEMBER IS SEPARATED DUE TO MISCONDUCT OR IF THE WAIVER WOULD BE INCONSISTENT WITH OTHER PRESCRIBED LAW, REGULATION, OR POLICY.

24. FOLLOWING GUIDANCE ESTABLISHES COMMAND RESPONSIBILITY AND PROCEDURES TO NOTIFY AND COUNSEL MEMBER ON ELIGIBILITY TO ELECT THE CSB/REDUX RETIRED PAY SYSTEM.

25. IF VERIFICATION OF THE DIEMS DATE SHOWS THE MEMBER ELIGIBLE TO ELECT THE CSB/REDUX, DELIVER THE GENADMIN NOTIFICATION ORDER MESSAGE TO THE AFFECTED MEMBER WITHIN THREE WORKING DAYS OF RECEIPT. COMMANDS ARE AUTHORIZED TO HOLD DELIVERY IN ABEYANCE WHILE MEMBER IS ON LEAVE, SIQ, HOSPITALIZED, ON OFFICIAL TAD/TDY TRAVEL, PERMISSIVE TAD, OR TAD/TDY/ TEMDU TO ATTEND SCHOOL.

26. COMMANDS ARE DIRECTED TO CANCEL GENADMIN NOTIFICATION ORDER BY MESSAGE TO ADDRESSEES IF:

A. MEMBER IS DECEASED. REFERENCE PERSONNEL CASUALTY REPORT MESSAGE AS AUTHORITY TO CANCEL NOTIFICATION ORDER DUE TO DEATH.

B. MEMBER HAS A FINAL DETERMINATION BY SEPARATION AUTHORITY THAT DIRECTS SEPARATION, DISCHARGE, OR DROPPING FROM THE ROLLS. REFERENCE SEPARATION AUTHORITY DOCUMENTATION AS AUTHORITY TO CANCEL NOTIFICATION ORDER DUE TO SEPARATION.

C. MEMBER'S RESIGNATION HAS BEEN ACCEPTED BY SECNAV OR CHNAVPERS. REFERENCE ACCEPTANCE DOCUMENTATION AS AUTHORITY TO CANCEL NOTIFICATION ORDER DUE TO RESIGNATION.

D. MEMBER IS SEPARATED, DISCHARGED, OR DROPPED FROM THE ROLLS. REFERENCE SEPARATION DOCUMENTATION AS AUTHORITY TO CANCEL NOTIFICATION ORDER DUE TO SEPARATION.

E. MEMBER IS ABSENT WITHOUT LEAVE, A DESERTER, OR UNDER U.S. CIVIL OR MILITARY CONFINEMENT. REFERENCE SUPPORTING DOCUMENTATION AS AUTHORITY TO CANCEL NOTIFICATION ORDER.

F. VERIFICATION OF THE MEMBER'S DIEMS DATE SHOWS THE MEMBER IS INELIGIBLE TO ELECT CSB/REDUX. REPORT THE DISCREPANCY BY OFFICIAL CORRESPONDENCE TO CHNAVPERS, PERSONNEL PAY ASSISTANCE CENTER (PPAC) VIA YOUR COMMAND FOLLOWING THE PROCEDURES IN PARAGRAPH 6A.

27. COMMANDS ARE DIRECTED TO FORWARD THE GENADMIN NOTIFICATION ORDER MESSAGE TO:

A. INTERMEDIATE AND ULTIMATE DUTY STATIONS FOR ACTION IF MEMBER HAS DETACHED. NOTIFY BY MESSAGE THE ULTIMATE AND INTERMEDIATE DUTY

STATIONS AND ADDRESSEES OF THIS MESSAGE REFERENCING THE PCS TRANSFER ORDERS AS AUTHORITY FOR FORWARDING NOTIFICATION TO SNM'S PRESENT STATION.

B. CHNAVPERS CASUALTY ASSISTANCE BRANCH (PERS 621) IF MEMBER IS DUSTWUN, MIA, CAPTURED/INTERNEED/BESIEGED/DETAINED BY A FOREIGN POWER, TERMINALLY/VERY SERIOUSLY/SERIOUSLY ILL OR INJURED, OR SUFFERING AN INCAPACITATING ILLNESS OR INJURY. REFERENCE PERSONNEL CASUALTY REPORT MESSAGE AS AUTHORITY FOR FORWARDING NOTIFICATION ORDER TO PERS 621.

28. COMMANDS ARE AUTHORIZED TO DELIVER THIS NAVADMIN WITH THE FOLLOWING STATEMENT ATTACHED WHEN A CSB GENADMIN NOTIFICATION MESSAGE HAS BEEN RELEASED BY THE MILLINGTON MESSAGE CENTER BUT THE MESSAGE CENTER SERVICING THE COMMAND CANNOT LOCATE IT BY TRACER. "THE FORCE MANAGEMENT SYSTEM (FORMAN) SHOWS THAT YOUR CAREER STATUS BONUS (CSB) GENADMIN NOTIFICATION MESSAGE WAS RELEASED ON (ENTER THE NOTIFICATION DTG LISTED IN THE LOWER LEFT HAND CORNER OF THE FORMAN CSB ELECTION SCREEN). YOUR RECORD IN THE NAVY ENLISTED SYSTEM AND/OR NAVY OFFICER PERSONNEL INFORMATION SYSTEM INDICATES YOUR DATE OF INITIAL ENTRY INTO MILITARY SERVICE (DIEMS) DATE IS (ENTER THE DIEMS DATE LISTED IN THE LOWER RIGHT HAND CORNER OF THE FORMAN CSB ELECTION SCREEN) AND YOUR ACTIVE DUTY START DATE (ADSD) IS (ENTER THE ADBD/ADSD DATE LISTED IN THE LOWER RIGHT HAND CORNER OF THE FORMAN CSB ELECTION SCREEN). A COPY OF YOUR ORIGINAL NOTIFICATION MESSAGE IS NOT AVAILABLE AND CANNOT BE TRACED BY THE MESSAGE CENTER. IN ITS ABSENCE, THE CHIEF OF NAVAL PERSONNEL HAS AUTHORIZED THE COMMAND TO PROCESS YOUR RETIRED PAY ELECTION USING THIS NAVADMIN."

29. RELEASED BY VADM G. L. HOEWING, N1.//

BT

ADMINISTRATIVE MESSAGE

ROUTINE

R 151143Z OCT 02 ZYB MIN PSN 334003J13

FM CNO WASHINGTON DC//N1//

TO NAVADMIN

UNCLAS //N06000//

NAVADMIN 0344/02

PART TWO OF TWO. PART ONE IDENT IS 151142Z OCT 02.

MSGID/GENADMIN/N1//

SUBJ/REVISED CAREER STATUS BONUS AND REDUX RETIRED PAY SYSTEM//

REF/A/RMG/CNO WASHINGTON DC/191851ZSEP2001//

REF/B/DOC/FY-02 NDAA/28DEC2001//

REF/C/DOC/OSD (FMP)/24JUN2002//

REF/D/RMG/DFAS CLEVELAND OH/121200ZFEB2002//

NARR/REF A IS NAVADMIN 245/01 THAT PROVIDES POLICIES, PROCEDURES, AND RESPONSIBILITIES THAT THE DEPARTMENT OF DEFENSE (DOD) HAS DEVELOPED TO IMPLEMENT AND ADMINISTER THE CAREER STATUS BONUS (CSB) AND RELATED RETIRED PAY REFORMS ENACTED IN THE NATIONAL DEFENSE AUTHORIZATION ACT OF FISCAL YEAR 2000 (FY-00 NDAA/PUBLIC LAW 106-65). REF B IS SECTION 620 OF THE FY-01 NDAA/PUBLIC LAW 107-107 WHICH AUTHORIZES INSTALLMENT PAYMENTS OF CSB. REF C IS THE OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (FORCE MANAGEMENT POLICY) MEMO OF 24 JUN 02 ENTITLED "CAREER STATUS BONUS -- REVISED GUIDANCE." REF D IS MILITARY PAY ADVISORY (MPA) 21/02 ANNOUNCING SIGNIFICANT FORMAT MODIFICATIONS TO THE LES EFFECTIVE WITH THE JAN 02 LES.//

RMKS/30. ADMINISTRATIVE OFFICERS AND COMMAND CAREER COUNSELORS ARE RESPONSIBLE FOR:

A. VERIFYING THE ACCURACY OF THE MEMBER'S DIEMS DATE LISTED IN THE MEMBER'S CSB GENADMIN NOTIFICATION MESSAGE AND REPORTING ANY DISCREPANCY FOLLOWING THE PROCEDURES IN PART ONE PARAGRAPH 6A.

B. ADVISING MEMBERS THAT:

(1) THE DIEMS DATE LISTED IN THE MEMBER'S CSB GENADMIN NOTIFICATION MESSAGE AND FORCE MANAGEMENT SYSTEM IS TAKEN FROM THEIR RECORD IN THE NAVY ENLISTED SYSTEM (NES) OR OFFICER PERSONNEL INFORMATION SYSTEM (OPINS) RECORD.

(2) THE MEMBER'S OFFICIAL DIEMS DATE IS THE DATE LISTED ON THEIR FIRST ENLISTMENT, INDUCTION, OR COMMISSIONING DOCUMENT.

(3) THE COMMAND HAS REVIEWED THE MEMBER'S FIRST ENLISTMENT, INDUCTION, OR COMMISSIONING DOCUMENT IN THEIR SERVICE RECORD AND VERIFIED THEIR ELIGIBILITY OR INELIGIBILITY TO MAKE A CSB/REDUX OR HIGH-3 RETIRED PAY ELECTION.

(4) ACTION HAS BEEN TAKEN TO CORRECT ANY DISCREPANCY IN THE MEMBER'S DIEMS DATE IN THEIR NES OR OPINS RECORD.

(5) PPAC WILL ALSO CONDUCT A QUALITY CONTROL OF THE MEMBER'S DIEMS DATE AND VERIFY WHETHER THE MEMBER IS ELIGIBLE BEFORE TRANSMITTING CSB ELECTIONS FOR PAYMENT.

(6) SHOULD PPAC DISCOVER THE MEMBER IS INELIGIBLE TO MAKE

THE ELECTION, THEY HAVE BEEN DIRECTED TO CANCEL THE ELECTION AND NOTIFY THE COMMAND OF THE ACTION.

C. ENSURING GENADMIN NOTIFICATION ORDER MESSAGES ARE DELIVERED TO ELIGIBLE MEMBERS OF THEIR COMMAND.

D. COMPLETING THE ELECTION FORM SECTION I "PERSONAL IDENTIFICATION" NAME, SSN, RANK/PAY GRADE/BRANCH, DIEMS, DATE FOR DETERMINATION OF ACTIVE DUTY SERVICE COMPLETED (ADSD ON NAVPERS FORM), AND DATE OF NOTIFICATION (DTG OF CSB GENADMIN NOTIFICATION MESSAGE ON NAVPERS FORM).

E. ENSURING THAT THE MEMBER'S REPORTING SENIOR COMPLETES THE ELECTION FORM SECTION II.

F. ADVISING MEMBERS THAT:

(1) ONLY TSP PARTICIPANTS WHO HAVE ELECTED TO CONTRIBUTE A PERCENTAGE OF THEIR BONUSES CAN DEPOSIT A PORTION OF THEIR CSB TO TSP.

(2) IF THEY HAVE A TSP ACCOUNT, THEY CAN COMPLETE A TSP-U-1 FORM OR REVISE THEIR TSP ELECTION IN E/MSS AT ANY TIME TO ELECT TO CONTRIBUTE A PERCENTAGE OF THEIR BONUSES. HOWEVER, THEIR TSP ELECTION SHOULD BE SUBMITTED AT LEAST 60 DAYS PRIOR TO THEIR CSB ELECTION EFFECTIVE DATE.

G. ADVISING MEMBERS THAT:

(1) THE PAYMENT OPTION THEY ELECT IS IRREVOCABLE AND CANNOT BE MODIFIED ON OR AFTER THEIR CSB ELECTION EFFECTIVE DATE.

(2) REQUESTS FOR ADVANCE AND REMAINING INSTALLMENT PAYMENTS WILL ONLY BE ACCEPTED IF THE MEMBER IS EXPERIENCING A HARDSHIP.

(A) ADVANCE PAYMENT IS PAYMENT OF ONE OR MORE INSTALLMENTS DUE IN A FUTURE FISCAL YEAR, AND REMAINING AMOUNT IS PAYMENT OF ALL REMAINING INSTALLMENTS IN ONE PAYMENT.

(B) ADVANCE AND REMAINING INSTALLMENT PAYMENT REQUIRES DEPUTY CHIEF OF NAVAL OPERATIONS (MANPOWER AND PERSONNEL) N130G APPROVAL.

(C) REQUEST FOR ADVANCE OR REMAINING PAYMENT MUST BE IN WRITING AND INCLUDE INFORMATION ON ANY ADVANCE BONUS/SPECIAL/ INCENTIVE PAYMENTS ALREADY RECEIVED BY THE MEMBER, CERTIFIED COPY OF MEMBER'S CURRENT EVALUATION OR FITNESS REPORT, CERTIFIED COPY OF ANY CURRENTLY APPROVED EXCEPTIONAL FAMILY OR HUMANITARIAN TRANSFER DOCUMENT(S), SPECIFIC REASON(S) FOR REQUESTING HARDSHIP PAYMENT, ITEMIZED LIST OF INCOME AND FINANCIAL LIABILITIES FOR ALL DEBTS (INCLUDING MONTHLY PAYMENT/AMOUNT OWED FOR EACH), AND THE COMMANDING OFFICER'S:

(1) VERIFICATION THAT THE MEMBER IS STILL ELIGIBLE TO REMAIN CONTINUOUSLY ON ACTIVE DUTY THROUGH THEIR 20TH ANNIVERSARY,

(2) VERIFICATION THAT THE HARDSHIP EXISTS, AND

(3) RECOMMENDATION.

(D) AN ADVANCE AND REMAINING PAYMENT REQUEST WITHOUT THE ABOVE INFORMATION WILL BE RETURNED WITH NO ACTION.

H. ENSURING THAT MEMBERS COMPLETE:

(1) SECTION III OF THE FORM IF THEY ARE NOT CURRENTLY ELIGIBLE FOR CSB;

(2) SECTION IV IF THEY ARE ELIGIBLE AND ELECT CSB;

(3) AND SECTION V IF THEY ARE ELIGIBLE BUT ELECT TO REMAIN UNDER THE HIGH-3 RETIRED PAY SYSTEM AND NOT RECEIVE THE CSB.

I. ENSURING THAT ALL MEMBERS WHO ELECT THE CSB IN SECTION IV OF THE FORM ALSO SELECTS A PAYMENT OPTION. THIS INCLUDES MEMBERS WHO MADE AN ELECTION PRIOR TO RELEASE OF THIS NAVADMIN WHO HAVE NOT YET REACHED THEIR CSB ELECTION EFFECTIVE DATE.

J. WITNESSING THE MEMBER'S ELECTION ON THE FORM IN SECTION III, BLOCK 11; SECTION IV, BLOCK 13; OR SECTION V, BLOCK 15 AS APPROPRIATE.

K. COMPLETING SECTION VI, SERVICE RECORDING OF ELECTION IF THE

MEMBER IS ELIGIBLE AND ELECTS THE CSB/REDUX. THE FOLLOWING EXAMPLES ARE PROVIDED TO HELP AO'S AND CCC'S UNDERSTAND WHAT DATE TO USE IN BLOCK 16 FOR THE CSB ELECTION EFFECTIVE DATE.

EXAMPLE ONE: MEMBER'S ADSD IS 1 FEB 88 MAKING 1 FEB 03 SNM'S 15TH ANNIVERSARY OF ACTIVE SERVICE. MEMBER'S OFFICIAL GENADMIN NOTIFICATION MESSAGE DTG IS 1 AUG 02. MEMBER'S REPORTING SENIOR COMPLETES SECTION II OF FORM INDICATING MEMBER IS ELIGIBLE FOR RETENTION. MEMBER SIGNS SECTION IV OF FORM ON 20 AUG 02 ELECTING CSB/REDUX WITH 1 (LUMP SUM \$30,000) PAYMENT. MEMBER'S CSB ELECTION EFFECTIVE DATE IS SNM'S 15TH ANNIVERSARY OF ACTIVE DUTY ON 1 FEB 03.

EXAMPLE TWO: MEMBER'S ADSD IS 15 MAR 87 MAKING 15 MAR 02 HIS 15TH ANNIVERSARY OF ACTIVE SERVICE. MEMBER'S OFFICIAL GENADMIN NOTIFICATION MESSAGE DTG IS 15 SEP 01. MEMBER'S REPORTING SENIOR COMPLETES SECTION II OF DD FORM 2839 INDICATING MEMBER IS NOT ELIGIBLE TO ELECT THE CSB AND GIVES THE 'REASON' AS "FINAL DETERMINATION IS BEING HELD IN ABEYANCE PENDING A FAVORABLE DETERMINATION ON MEDICAL PROCEEDINGS." ON 10 NOV 02 A MEDICAL BOARD FINDS THE MEMBER FIT FOR DUTY. MEMBER'S REPORTING SENIOR REVISES SECTION II OF THE MEMBER'S DD FORM 2839 INDICATING MEMBER IS ELIGIBLE. MEMBER HAS UNTIL 10 MAY 03 (SIX MONTHS) TO MAKE A CSB/REDUX ELECTION. MEMBER SIGNS SECTION V, ELECTING TO REMAIN UNDER THE HIGH-3 RETIRED PAY SYSTEM ON 15 DEC 02. MEMBER'S ELECTION EFFECTIVE DATE IS 15 DEC 02. HIS CSB ELECTION EFFECTIVE DATE IS HIS ELECTION SIGNATURE DATE BECAUSE HE IS MAKING HIS ELECTION AFTER HIS 15TH ANNIVERSARY OF ACTIVE DUTY.

L. ENTERING MEMBER'S CSB/REDUX ELECTION DATA IN FORMAN FOR TRANSMISSION TO DFAS FOR PAYMENT.

(1) TO POST CSB ELECTION INFORMATION, AOS AND CCCS REQUIRE ACCESS TO CICS AND ACCESS TO OPINS/FORMAN.

(A) TO REQUEST CICS ACCESS, OR TO MODIFY AN EXISTING CICS ACCOUNT, FAX, MAIL, OR E-MAIL A COMPLETED SAAR, DISA FORM 41, TO PERS 333.

(1) THE SAAR AND INSTRUCTIONS FOR COMPLETING AND PROCESSING IT ARE AVAILABLE AT WWW.PERSNET.NAVY.MIL/PPAC/ACCESS.HTML.

(2) FOR CLARIFICATION, PERS 333 WILL PROVIDE A USER ID AND PASSWORD TO ACCESS THE DOD CICS FOR AOS AND CCCS SO THEY CAN ACCESS, POST, AND UPDATE CSB ELECTION DATA. SIMULTANEOUS TO PROVIDING THE DOD CICS USER ID AND PASSWORD, PERS 333 WILL ALSO PROVIDE A SOURCE ID AND PASSWORD FOR OPINS/FORMAN.

(B) AVERAGE TURN-AROUND TIME TO PROCESS A REQUEST IS FIVE WORKING DAYS. IF NO RESPONSE IS RECEIVED WITHIN FIVE WORKING DAYS, CONTACT PERS 333 VIA PPAC AT (901) 874-2521/DSN 882 OR E-MAIL: PPAC@PERSNET.NAVY.MIL.

(2) A COMPUTER APPLICATION THAT FACILITATES ACCESS TO CICS, OPINS AND FORMAN IS AVAILABLE AT WWW.PERSNET.NAVY.MIL/PPAC/ACCESS.HTML.

(A) CLICK ON OPINS.EXE. OPINS.EXE IS AN EXECUTABLE ZIP FILE THAT SELF-EXTRACTS A PROGRAM CALLED QWS3270.EXE AND APPLICABLE, RELATED FILES.

(B) ONCE EXECUTED, OPINS.EXE WILL (IF AN OPINS FOLDER DOES NOT ALREADY EXIST) CREATE AN OPINS FOLDER AND DOWNLOAD NECESSARY FILES INTO IT.

(C) WHEN THE OPINS.EXE COMPLETES ITS DOWNLOAD, NAVIGATE TO THE OPINS FOLDER AND DOUBLE CLICK ON OPINS.DOC, A USER FRIENDLY OPINS USER DOCUMENT. LOGON INSTRUCTIONS ARE ON PAGE FOUR.

(D) WHEN READY TO ATTEMPT LOGON, NAVIGATE TO THE OPINS FOLDER AGAIN, AND DOUBLE CLICK ON QWS3270.EXE.

(E) A CSB USER MANUAL IS AVAILABLE FOR DOWNLOAD AT WWW.PERSNET.NAVY.MIL/PPAC/CSB.HTML.

(1) TO CREATE A SHORTCUT TO THESE FILES, RIGHT CLICK

ON THE ICONS AND CHOOSE 'CREATE SHORTCUT'.

(2) THE 'CREATE SHORTCUT' OPTION WILL PLACE A SHORTCUT ON THE USER'S DESKTOP.

(3) TO ENTER CSB/REDUX ELECTION DATA FROM THE OPINS/FORMAN BANNER SCREEN, AOS AND CCCS MUST ENTER THEIR SOURCE CODE, PASSWORD, AND SECONDARY SOURCE CODE (OPTIONAL).

(A) THE CSB SCREEN IS REACHED BY ENTERING 'UNK' IN THE UPPER LEFT CORNER OF THE OPINS MAIN MENU SCREEN.

(B) TO USE THE MENU SCREENS, ENTER 'A', AND THEN ENTER 'K'. INQUIRY SCREEN I44 DISPLAYS THE CSB DATA.

(4) THE FORMAN CSB/REDUX ELECTION SCREEN INCLUDES

FIELD:	ACTION:
SSN:	ENTER NINE DIGITS WITH NO HYPHENS
NAME:	ENTER FIRST FOUR CHARACTERS OF LAST NAME. IF NAME LESS THAN FOUR CHARACTERS IN LENGTH, ENTER ENTIRE LAST NAME.
ELIGIBILITY CODE:	ENTER EITHER "R" FOR RETAINABLE, "H" FOR HELD IN ABEYANCE, OR "N" FOR NOT ELIGIBLE.
ELECTION CODE:	ENTER "1" FOR CSB AS A LUMP SUM PAYMENT, ENTER "2" FOR CSB AS TWO INSTALLMENT PAYMENTS, ENTER "3" FOR CSB AS THREE INSTALLMENT PAYMENTS, ENTER "4" FOR CSB AS FOUR INSTALLMENT PAYMENTS, ENTER "5" FOR CSB AS FIVE INSTALLMENT PAYMENTS, ENTER "N" TO REMAIN UNDER HIGH-3, OR LEAVE BLANK IF MEMBER IS NOT ELIGIBLE. ALL CSB ELECTIONS ENTERED INTO FORMAN USING THE CODE "Y" AS DIRECTED IN NAVADMIN 245/01 WILL AUTOMATICALLY CONVERT TO CODE "1".
MEMBER SIGNATURE DATE:	ENTER DATE (YYMMDD) FROM SECTION III BLOCK 10B, SECTION IV BLOCK 12B, OR SECTION V BLOCK 14B.
ELECTION EFFECTIVE DATE:	IF MEMBER ELECTS CSB/REDUX ENTER THE EFFECTIVE DATE (YYMMDD) FROM SECTION VI BLOCK 16. LEAVE BLANK IF MEMBER IS NOT ELIGIBLE OR ELECTS TO REMAIN UNDER THE HIGH-3 RETIREMENT SYSTEM.
RETIRED PAY INDICATOR:	NO ENTRY REQUIRED, DATA PULLED FROM PERSONNEL MASTER FILES.
DIEMS:	NO ENTRY REQUIRED, DATA PULLED FROM PERSONNEL MASTER FILES.
RANK/GRADE:	NO ENTRY REQUIRED, DATA PULLED FROM PERSONNEL MASTER FILES.
ADSD/ADBD:	NO ENTRY REQUIRED, DATA PULLED FROM PERSONNEL MASTER FILES.
DTG:	NO ENTRY REQUIRED, DATA PULLED FROM DTG OF GENADMIN NOTIFICATION MESSAGE.
2ND DTG:	NO ENTRY REQUIRED, DATA PULLED FROM DTG OF FOLLOW UP MESSAGE TO REPORTING SENIOR IF NO ELECTION IS MADE.
SEPARATION CODE (SPD):	NO ENTRY REQUIRED, DATA PULLED FROM PERSONNEL MASTER FILES.
DATE OF SEPARATION:	NO ENTRY REQUIRED, DATA PULLED FROM PERSONNEL MASTER FILES.

M. TRACKING WHETHER A NOTIFICATION MESSAGE HAS BEEN RELEASED ON

A MEMBER BY ENTERING THE MEMBER'S SSN ON THE CSB ELECTION SCREEN.

(1) IF THE SCREEN ACTIVATES A MESSAGE HAS BEEN RELEASED AND THE DTG OF THE MEMBER'S MESSAGE WILL SHOW UP IN THE LOWER LEFT HAND CORNER OF THE SCREEN. THIS DTG CAN BE USED TO REQUEST A TRACER BETWEEN YOUR MESSAGE CENTER AND THE MILLINGTON MESSAGE CENTER IF IT WAS NOT RECEIVED.

(2) MESSAGE CENTERS OFTEN DELETE MESSAGE TAPES ONCE EVERY 7 TO 30 DAYS. IF THEY HAVE ALREADY DELETED THE MESSAGE, DELIVER A COPY OF THIS NAVADMIN TO THE MEMBER AND USE THESE STEP-BY-STEP DIRECTIONS TO PROCESS THEIR ELECTION. THE INFORMATION IN THIS NAVADMIN DUPLICATES THE INFORMATION WE ARE REQUIRED BY LAW TO PROVIDE EACH MEMBER IN AN INDIVIDUAL NOTIFICATION MESSAGE.

(3) IF THE FORMAN CSB ELECTION SCREEN REMAINS BLANK IT MEANS THAT WE HAVE NOT SENT A MESSAGE YET.

(A) AT MIDNIGHT EACH DAY WE RUN AN AUTOMATED QUERY THROUGH THE NAVY ENLISTED FILE (NES) AND OFFICER PERSONNEL INFORMATION SYSTEM (OPINS) GATHERING THE SSN OF EACH ACTIVE DUTY MEMBER WHO HAS REACHED THEIR 14 1/2 YEAR ANNIVERSARY OF ACTIVE DUTY BASED ON THEIR ADSD.

(B) WE THEN RUN A QUERY THROUGH THAT GROUP OF EACH MEMBER WHO HAS A DIEMS DATE OF 1 AUG 86 OR LATER. THEN WE RUN A QUERY FOR ANYONE IN THAT GROUP WHO HAS NOT RECEIVED A CSB GENADMIN NOTIFICATION MESSAGE.

(C) THE SYSTEM THEN CREATES AN AUTOMATED MESSAGE FOR EACH MEMBER IN THIS GROUP AND ASSIGNS THE MESSAGE A DTG.

(D) IF A MEMBER HAS A BLANK DIEMS DATE, ADSD DATE, OR HAS NOT BEEN DIARIED INTO A COMMAND UIC IN NES OR OPINS THERE IS NO WAY FOR THE SYSTEM TO CATCH THEM IN EACH NIGHTS QUERY.

(E) YOU CAN CHECK TO SEE IF A MEMBER HAS THE DIEMS DATE IN NES OR OPINS BY LOOKING AT THE MEMBER'S LES.

(F) YOU CAN CHECK TO SEE IF A MEMBER HAS BEEN DIARIED INTO A COMMAND UIC AND HAS A ADSD IN NES OR OPINS BY LOOKING AT THE COMMAND'S EDVR OR ODCR.

(G) IF UIC OR DATES ARE MISSING CONTACT YOUR PERSONNEL OFFICE AND PPAC TO CORRECT NES OR OPINS SO THAT THE CSB AUTOMATED SYSTEM WILL GENERATE A MESSAGE.

N. TRACKING THE STATUS OF A CSB ELECTION.

(1) ONCE A CSB ELECTION IS ENTERED INTO FORMAN, THE DATA RESIDES THERE, INTACT, FOR AS LONG AS THE MEMBER REMAINS IN THE NAVY.

(2) ON THE MEMBER'S CSB ELECTION EFFECTIVE DATE THE CSB DATA IN FORMAN IS TRANSMITTED TO DFAS FOR PAYMENT USING THE 08 FID (FOR OFFICERS) AND THE 31 FID (FOR ENLISTED PERSONNEL).

(3) THE STATUS OF AN ELECTION CAN BE TRACKED BY USING THE FORMAN ELECTION SCREEN PRIOR TO THE MEMBER'S CSB ELECTION EFFECTIVE DATE.

(4) AFTER THE CSB ELECTION EFFECTIVE DATE THE STATUS OF AN ELECTION CAN BE TRACKED BY CONTACTING YOUR LOCAL PSD OR SHIP'S PERSONNEL OFFICE AND REQUESTING THEY CHECK FOR A FID 08 OR FID 31 ENTRY.

(5) DO NOT CONTACT DFAS PRIOR TO A MEMBER'S CSB ELECTION EFFECTIVE DATE FOR THE STATUS ON A CSB PAYMENT. DFAS WILL NOT HAVE RECEIVED THE FID PRIOR TO THAT DATE.

O. MAINTAINING A COMMAND COPY OF THE MEMBER'S CSB/REDUX ELECTION FORM WHILE THE MEMBER IS ASSIGNED TO THE COMMAND AND FORWARDING THE ORIGINAL COPY OF THE CSB/REDUX ELECTION FORM TO COMMANDER, NAVY PERSONNEL COMMAND (PERS 313C) FOR INCLUSION IN THE MEMBER'S PERMANENT SERVICE RECORD. EACH CCC MUST ALSO FORWARD A COPY OF THE CSB/REDUX ELECTION FORM TO THEIR SHIP PERSONNEL OFFICE OR PERSONNEL SUPPORT DETACHMENT FOR INCLUSION IN THE MEMBER'S FIELD SERVICE RECORD.

P. PROVIDING THE MEMBER WITH A COPY OF THE COMPLETED CSB/REDUX ELECTION FORM FOR HIS PERSONAL FILES.

31. AS CSB ELIGIBLE SAILORS, YOU WILL HAVE A VERY IMPORTANT DECISION TO MAKE WHEN YOU RECEIVE YOUR OFFICIAL GENADMIN NOTIFICATION MESSAGE AND IT IS NOT AN EASY ONE. YOUR DECISION CONCERNING CSB AND YOUR RETIRED PAY WILL BECOME IRREVOCABLE AFTER THE EFFECTIVE DATE OF YOUR ELECTION SO I URGE YOU TO LEARN AS MUCH AS YOU CAN ABOUT YOUR OPTIONS AND CONSULT SEVERAL SOURCES TO MAKE SURE YOU ARE WELL INFORMED. THE CENTER FOR CAREER DEVELOPMENT (CCD) WEB SITE AT [HTTP://WWW.STAYNAVY.NAVY.MIL](http://www.staynavy.navy.mil) AND THE DOD WEB SITE AT [HTTP://PAY2000.DTIC.MIL](http://pay2000.dtic.mil) MAY BE GOOD PLACES TO START. BEFORE YOU MAKE THAT FINAL DECISION, DISCUSS IT WITH ADVISORS YOU TRUST, ASSESS YOUR CAREER EXPECTATIONS, DECIDE HOW YOU PROBABLY WILL USE THE CSB MONEY, AND WHAT RISKS YOU ARE WILLING TO TOLERATE. YOU WILL WANT TO PUT ENOUGH EFFORT INTO THE DECISION TO MAKE YOURSELF COMFORTABLE WITH YOUR CHOICE. COMMAND CAREER COUNSELORS AND COMMAND FINANCIAL ADVISORS ARE STANDING BY TO ASSIST YOU WITH YOUR DECISION, BUT ULTIMATELY, ONLY YOU CAN DETERMINE WHICH OPTION IS MORE ADVANTAGEOUS FOR YOU BASED ON YOUR OWN UNIQUE CIRCUMSTANCES AND PREFERENCES.

32. POC FOR SYSTEM ACCESS AND FOR DIEMS CORRECTION IS PPAC AT 1-888-297-7194/DSN 882 OR FAX (901) 874-2780/DSN 882. POC FOR MILITARY PERSONNEL RECORDS MANAGEMENT IS PERS313C AT (901) 874-3406/DSN 882. FOR ANSWERS TO CSB FREQUENTLY ASKED QUESTIONS REFER TO [WWW.PERSNET.NAVY.MIL\PPAC\FAQ.HTML](http://www.persnet.navy.mil/ppac/faq.html). POC FOR CSB REDUX POLICY IS N130G AT (703) 695-3158/DSN 225.

33. RELEASED BY VADM G. L. HOEWING, N1.//

BT